

C/007/038 Incoming
#3467 U: April



United States Department of the Interior

OFFICE OF SURFACE MINING
Reclamation and Enforcement
Western Region Office
1999 Broadway, Suite 3320
Denver, CO 80202-3050



RECEIVED

JUL 01 2010

DIV. OF OIL, GAS & MINING

June 29, 2010

John Baza, Director
Department of Natural Resources
Division of Oil, Gas, and Mining
1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801

RE: Phase I Bond Release, Crandall Canyon, Willow Creek Mine, Permit No. C/007/0038, Concurrence

Dear Mr. Baza,

This letter acknowledges the Office of Surface Mining Reclamation and Enforcement (OSM), Denver Field Division's (DFD) receipt and review of the above Phase I Bond Release Proposed Decision document prepared by the Division of Oil, Gas, and Mining (DOGM) dated June 17, 2010. DFD agrees with the findings and decision document and hereby provides OSM concurrence for the above bond release action in accordance with 30 CFR 740.15(d)(3) and 30 CFR 944.30, Article IX, of the State-Federal Cooperative Agreement.

DOGM's Proposed Decision documents the applicant's compliance with the Utah approved regulatory program at Utah Rule R645-301-880.

This Phase I bond release request applies to 32.96 acres consisting of removal of surface facilities, backfilling of mine shafts, general backfilling and grading, resoiling, seeding and mulching at the Crandall Canyon portion of the Willow Creek mine.

A thorough summary of the operational and reclamation history of the mine are accurately captured in the above DOGM proposed Decision. Public and landowner notification of the bond release provided by the permittee (Plateau Mining Corporation), and the bond release inspection notifications provided by DOGM are also documented in the Proposed Decision, DOGM's inspection report for the release inspection, and related correspondence. Both OSM and the Bureau of Land Management (BLM) were notified of the bond release inspection. BLM concurred with the proposed decision in a letter dated June 11, 2010.

OSM finds that Plateau Mining Corporation has met or exceeded the requirements for Phase I bond release on the 32.96 acres of land as described above. Travelers Casualty and Surety

Insurance Company currently holds a surety bond in the amount of \$1,251,000 for the Crandall Canyon portion of the Willow Creek mine. This action will release \$750,600 – the full 60%, as allowed by the Utah coal rules for Phase I bond release. DOGM has determined that the remaining bond amount of \$500,400 is sufficient to complete all remaining reclamation obligations at this site if the work had to be completed by a third party contractor. OSM concurs with the proposed bond release amount.

Thank you and your staff for coordinating this Federal mine bond release action through the DFD. Please direct any questions concerning this action to Christy Hulsman, Natural Resources Protection Specialist at chulsman@osmre.gov or (303) 293-5042.

Sincerely,

A handwritten signature in black ink, appearing to read "James F. Fulton", followed by the words "acting for" in a cursive script.

James F. Fulton, Chief
Denver Field Division

cc: Daron Haddock, DOGM
Plateau Mining Corporation

RECEIVED

JUN 14 2010

C/007/006 Incoming
C/007/038

#3467
&



DIV. OF OIL, GAS & MINING
United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Green River District Office

Price Field Office

125 South 600 West

Price, UT 84501

<http://www.blm.gov/ut/st/en/fo/price.html>



June 11, 2010

In Reply Refer To:

3474

(UTG023)

Daron Haddock
Utah Division of Oil Gas and Mining
PO Box 145801
Salt Lake City, Utah
84114-5801

Dear Mr. Haddock,

Subject: Phase I Bond Release Inspection for Reclaimed Areas of the Willow Creek Mine, Crandall Canyon. Phase III Bond Release Inspection for the Star Point Mine

Phase I Bond Release Inspection took place on June 8, 2010; Plateau Mining Corporation has completed Phase I of the approved reclamation plan for the areas of Crandall Canyon area other than the disturbed area around the shaft area that subsided in the winter of 2008. The BLM concurs with the reclamation that has taken place.

Phase III Bond Release Inspection took place on June 8, 2010 on 40 acres of the reclaimed surface facilities to change the post mining land use from wildlife habitat, grazing and recreational use to industrial for oil and gas. The BLM concur with the reclamation and the post mining land use change.

If you have any questions concerning this matter, please contact Sue Wiler at (435)636-3651.

Sincerely

Steve Rigby
Assistant Field Office Manager, Coal

cc: (UT923), Roger Bankert